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FISCAL IMPACT STATEMENT

LS 6186

BILL NUMBER: HB 1321

NOTE PREPARED: Nov 17, 2008

BILL AMENDED:

SUBJECT: Gibault Children's Services Foundation License Plate.

FIRST AUTHOR: Rep. Duncan

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill requires the Bureau of Motor Vehicles (BMV) to design and issue a Gibault Children's Services Foundation license plate, to be available after January 1, 2010.

Effective Date: Upon passage.

Explanation of State Expenditures: PEN PRODUCTS, the manufacturing arm of prison-made products, will charge the BMV \$3.69 per plate if the plate is a multi-color plate, \$3.19 per plate for a truck plate and other one-color plates, or \$3.55 for a standard plate. The funds affected are the PEN PRODUCTS Revolving Fund and the Motor Vehicle Highway Account (MVHA) which supports the BMV.

Explanation of State Revenues: Summary: The proposal establishes a \$25 annual fee for the Gibault Children's Services Foundation license plate. The money from the sale of the plate is deposited in the Gibault Children's Services Foundation Trust Fund. In addition, there is a \$15 administrative fee to be paid by the purchaser.

Money in the Trust Fund is continuously appropriated. The Commissioner of the BMV administers the Fund. And expenses of administering the Fund are to be paid from the Fund. On June 30 of each year, the Commissioner of the BMV is to distribute money in the Fund to the Gibault Children's Services Foundation. Money at the end of the state fiscal year does not revert to the state General Fund.

It is not known how much revenue will be generated by the new license plate. However, in CY 2008 through October 20, there have been about 418,000 special group recognition license plates sold. The largest number of special group recognition plates issued for that period totaled about 53,000. The smallest number of plates

sold since January 2007 totaled 86. Based on these data, it is likely that the new plate will fall somewhere within that range. Revenue from the \$25 fee would range between \$2,150 and \$1,325,000.

Revenue from the \$15 administrative fee is split between three funds: (1) the Motor Vehicle Highway Account (MVHA); (2) the Crossroads 2000; and (3) the Bureau of Motor Vehicles Commission (BMVC). The table below shows the minimum and maximum revenue for the affected funds based on the above plate sales.

Plate Sales	MVHA (\$5)	CROSSROADS 2000 (\$1)	BMVC (\$9)	Total (\$15)
86	\$430	\$86	\$774	\$1,290
53,000	\$265,000	\$53,000	\$477,000	\$795,000

Background Information-

Uses of the three funds include the following.

MVHA

- (1) Construction, reconstruction, and maintenance
- (2) Purchase of rental and repair of highway equipment
- (3) Painting of bridges
- (4) Land acquisition
- (5) Construction of storage buildings

CROSSROADS 2000

- (1) Highway bonding projects

BMVC

- (1) Operation of license branches throughout the state

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: BMV; Department of Correction (PEN PRODUCTS).

Local Agencies Affected: Those units which receive distributions from the MVHA.

Information Sources: Mark Spratt, Controller, PEN Products, 317 388-8580 x 242; Harold Day, Director of Financial Operations, BMV, 317-232-1955; Dollyne Sherman, BMV, 317-233-0216; BMV license plate data for CY 2007.

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